



Charlotte City Council
Workforce & Business Development Committee
Summary
August 10, 2020

COMMITTEE AGENDA TOPICS

Review of Committee Referral Topics (No Action Required)
Open for Business – Survive and Thrive Initiatives (No Action Required)
Tax Increment Grants (TIG) Overview (Deferred to September Meeting)

COMMITTEE INFORMATION

Committee Members Present: James Mitchell (Chair), Tariq Bokhari (Vice Chair), Dimple Ajmera, Malcolm Graham and Renee Johnson

Others: Mayor Pro Tem Julie Eiselt, Councilmember Matt Newton
Kay Cunningham, Mayor's Office
Denada Jackson, Office of Constituent Services
Vinay Patel, SREE Hotels, LLC
DeAlva Wilson, Business Advisory Committee
Chad Turner, LGBT Chamber of Commerce

Staff Resource: Tracy Dodson, City Manager's Office
Holly Eskridge, Economic Development
Fran West, Economic Development
Emily Cantrell, Economic Development
Todd DeLong, Economic Development Department

Guest: Laura Smith, Executive Vice President, Foundation for the Carolinas

Meeting Duration: 11:30am-1:44pm

ATTACHMENTS

1. Agenda – August 10, 2020
2. Presentation - Economic Development Combined: Committee Referrals, Open for Business, TIG Overview

DISCUSSION HIGHLIGHTS

Chairman Mitchell called the virtual meeting to order and asked Committee members, City staff and guests to introduce themselves. He then turned the meeting over to Assistant City Manager

Tracy Dodson to introduce the agenda topics.

Review of Committee Referral Topics

Tracy Dodson opened the meeting and introduced the agenda topics. She gave an overview of the Workforce & Business Development Committee's current (1-3), referral topics to address the Safe Charlotte focus recommendations (4-7) proposed by Mayor Lyles and new topics (8-9). They include:

1. *Opportunity Zones and Corridors Policy alignment*
2. *Workforce Development Strategy*
3. *Tax Increment Grant (TIG)*
4. *Workforce Development Plan to reduce high unemployment*
5. *Workforce development policy (criteria required for when city funding is included)*
6. *Workforce Plan for Corridors of Opportunity*
7. *Strengthening workforce development within Diversion program*
8. *Youth Employment Policy*
9. *Further promoting African American business opportunities*

Staff will come back to the Committee with recommendations to address policies around Safe Charlotte Focus.

Open for Business – Survive and Thrive Initiatives

Tracy Dodson started the presentation and gave an update on the Survive Budget that was adopted in May. She shared with the Committee not all the Survive Initiatives had been implemented but presented staff's recommendations to move forward:

1. *Given the time constraints to develop and implement a training program, reallocate \$1.5M budget for Intensive Career Cohorts into Thrive Strategy*
2. *Roll over remaining \$250,000 for Workforce Partner Support Grants into Thrive Budget*
3. *Selection of a partner to establish a Small Business Accelerator has not yet occurred, recommends rolling over \$500,000 into Workforce Innovation Fund in Thrive Budget*

Laura Smith, Foundation for the Carolinas, continued the presentation and provided an update on the Access to Capital Initiative. Ms. Smith shared information on the program application and businesses who had submitted or started their applications. To date, the Foundation has received 5,772 applications of which 3,405 applications were for requests totaling \$42.88 MM. The Foundation has given out 760 awards totaling \$8,095,000 for micro and small businesses. Data was also shared on grants awarded by geography, race and gender.

Holly Eskridge continued the presentation with recommendations and next steps which include opening a new application period from August 11-30 for all eligible applications in the award selection. The Foundation will continue to provide assistance to businesses to complete their applications. Their new community outreach strategy includes engaging international small business navigators, an in-person clinic, Zoom meetings and marketing and promotion for the new application cycle. The YMCA locations and notaries will still be available.

Ms. Smith stated the Foundation's goal was to get the money out as quickly as possible and make it a priority to work with applicants in the error queue. The Committee also expressed their concern to address the error rate and to spend the CARES Act dollars by the end of October.

VOTE: Councilmember Ajmera made a motion and Councilmember Bokhari seconded to support staff's recommendations on the Survive Initiatives. The vote was 3:1 Mitchell, Ajmera and Bokhari with Councilmember Johnson voting no, and Councilmember Graham was absent for the vote.

Holly Eskridge provided a breakdown of the initial budget programming costs for the Foundation for the Carolinas. In order to extend the Access to Capital Program until October 16th, there will be an extension cost of \$383,000, to hire navigators and pair them with the YMCA and to hire additional people for the call center and to review applications.

Tracy Dodson concluded the presentation with an update on the Thrive Initiative from the July 14th meeting. She discussed the Thrive evolution for the Workforce Resiliency to put our residents back to work through training and job creation to Business Innovation and Resiliency to ensuring our small businesses are ready. Ms. Dodson shared information on a \$5 million proposal to establish a Food and Beverage Relief Fund Restaurant and \$3 million for Hospitality/Hotel. The Committee received information outlining funds to support each program and suggested putting the \$8 million into a new fund and open it to all industries to apply for the Access to Capital Grants that have been affected by COVID-19.

VOTE: Councilmember Ajmera made a motion and it was seconded by Councilmember Johnson for staff to move forward and work with the Foundation for the Carolinas to establish a new fund for the \$8 million for Access to Capital Grants that would include all industries affected by COVID-19. The vote was 3:1 with Mitchell, Ajmera and Johnson. Councilmember Bokhari voted against the motion and Councilmember Graham was absent for the vote.

The Committee also discussed having a joint meeting with the County's Economic Development Committee and the City's Workforce & Business Development Committee. Staff will work with the County to coordinate schedules. The Tax Increment Grant presentation was deferred to the September 14th meeting.

The meeting adjourned at 1:44pm.